



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: 6

Agenda Date: August 25, 2022

In Control: Planning and Community Development Committee

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Interim Director

COUNCIL DISTRICTS IMPACTED: District 9|District 10

SUBJECT:

Briefing and possible action on allocating FY 2023 SAWS fee waiver funding for two (2) affordable housing projects.

SUMMARY:

Discussion and possible action on utilizing FY 2023 SAWS affordable housing fee waiver funding for two (2) affordable housing projects, Vista at Silver Oaks and Vista at Thousand Oaks.

BACKGROUND INFORMATION:

The COSA Fee Waiver Program offers City developer fee waivers and SAWS water and wastewater impact fee waivers to projects in four categories: affordable housing, business development, owner-occupied rehabilitation, and historic rehabilitation. The fee waiver policy was amended in December 2021 to award affordable housing projects based on priority categories. Under the affordable housing category, at least half of all rental units must be reserved for

households at 60% of the Area Median Income (AMI). The highest priority for funding is given to projects that also reserve at least 10% of the housing units for households earning up to 30% AMI.

In 2020, City Council accepted SAWS fee waivers valued at \$15 Million over 5 years, to be made available at \$3 Million per year for fiscal years 2021 through 2025. The COSA Fee Waiver Program set aside \$2,440,000 in SAWS fee waivers for affordable housing for FY 2022. To date, NHSD has allocated \$2,321,000 in SAWS fee waivers to 53 projects comprising 1,923 affordable units, leaving \$118,800 in uncommitted SAWS waivers available this fiscal year.

ISSUE:

In April 2022, NHSD received two fee waiver applications for affordable housing projects by Atlantic Pacific Communities: Vista at Silver Oaks, located at Silver Oaks and Brazil Drive in Council District 9, and Vista at Thousand Oaks, located on Thousand Oaks near El Sendero Dr. in Council District 10. The projects, respectively, will build 76 and 78 units in total—all of them for households earning 60% AMI or below.

Both projects meet the top priority for Affordable Housing funding, offering at least 10% of units to households earning below 30% AMI. Vista at Silver Oaks will reserve 8 of the 76 units for households earning no more than 30% AMI. Vista at Thousand Oaks will reserve 16 of 78 units for households earning no more than 30% AMI. Additionally, the Vista at Thousand Oaks will serve ages 55 and up, with a preference for veterans. Both projects were awarded competitive 9% housing tax credits on August 4, 2022.

Each project requests \$250,000 in SAWS fee waivers, the maximum SAWS waiver available through the fee waiver program. The developer must secure all funding commitments by November 2022 in order to proceed with the projects. Sufficient funding is not available in the FY2022 budget, but will be available in the next application period set to open in January 2023. With City Council authorization, staff may award these two top priority projects with the requested SAWS fee waivers from the FY2023 SAWS allocation in advance of the next application period.

FISCAL IMPACT:

This item is for briefing purposes only.

ALTERNATIVES:

The Committee could choose to not take this item to the full City Council for consideration, which may adversely affect the developer's ability to construct these two projects.

RECOMMENDATION:

Staff recommends this committee send this item to A Session for full City Council consideration.